

113TH CONGRESS
1ST SESSION

S. 334

To terminate agricultural direct payments beginning with the 2013 crop year.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 14, 2013

Mrs. McCASKILL (for herself and Mr. FLAKE) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To terminate agricultural direct payments beginning with the 2013 crop year.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. FINDINGS AND SENSE OF CONGRESS.**

4 (a) FINDINGS.—Congress finds that—

5 (1) on September 30, 2012, the final day of the
6 2012 fiscal year, the total public debt outstanding
7 equaled more than \$16,000,000,000,000;

8 (2) the Congressional Budget Office projects
9 that under law in effect as of the date of enactment

1 of this Act, the budget deficit for fiscal year 2013
2 will be \$845,000,000,000;

3 (3) the most recent projection from the Department
4 of Agriculture, updated in February 2013,
5 forecast—

6 (A) net farm income to be
7 \$112,000,000,000 in 2012, the second-highest
8 total on record; and

9 (B) farm asset values, reflecting expectations
10 of long-term profitability, to rise to a
11 record \$2,536,000,000,000;

12 (4) direct payments to agricultural producers—

13 (A) cost the Federal Government nearly
14 \$5,000,000,000 annually;

15 (B) are fixed payments with no connection
16 to market conditions or the actual losses of the
17 producers; and

18 (C) are not reduced or adjusted in any way
19 in response to high commodity prices or high
20 farm incomes;

21 (5) direct payments that are set based on historical
22 acreage and yield are payable even to people
23 who do not farm and to agricultural producers who
24 do not grow the covered commodity for which the direct
25 payments are made;

1 (6)(A) direct payments are paid to producers on
2 less than 22 percent of all farms in the United
3 States and only for a select number of commodities;

4 (B) among producers on farms that receive di-
5 rect payments, the payments are concentrated
6 among producers on the largest farm operations,
7 which are those least likely to need support;

8 (C) more than 51 percent of payments flow to
9 just 10 percent of recipients; and

10 (D) more than 73 percent of payments flow to
11 just 25 percent of recipients;

12 (7)(A) direct payments were—

13 (i) enacted through the Agricultural Mar-
14 ket Transition Act (7 U.S.C. 7201 et seq.), title
15 I of the 1996 Farm Bill; and

16 (ii) intended to be temporary, transitional
17 payments to assist agricultural producers fol-
18 lowing the elimination of target price deficiency
19 payments; but

20 (B) the “transition” was never completed and
21 direct payments were reauthorized in 2002 and
22 2008; and

23 (8) direct payments were eliminated by—

(A) S. 3240 (112th Congress), the Agriculture Reform, Food, and Jobs Act of 2012, which passed the Senate on June 21, 2012; and

9 (b) SENSE OF CONGRESS.—It is the sense of Con-
10 gress that direct payments—

11 (1) are unnecessary and unaffordable; and
12 (2) should be immediately repealed.

13 SEC. 2. TERMINATION OF AGRICULTURAL DIRECT PAY-
14 MENTS.

15 (a) REPEAL.—Sections 1103 and 1303 of the Food,
16 Conservation, and Energy Act of 2008 (7 U.S.C. 8713,
17 8753) are repealed.

18 (b) APPLICATION OF AMENDMENTS.—Notwith-
19 standing section 701 of the American Taxpayer Relief Act
20 of 2012 (Public Law 112–240; 126 Stat. 2362), the
21 amendments made by this section shall apply beginning
22 with the 2013 crop year.

